



80 South Jefferson Road
Whippany, NJ 07981

Regina McNeil
Senior Attorney

Voice: 973-884-8168
Fax: 973-884-8008
E-mail: rmcneil@neca.org

May 13, 2002

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
TW-A325
Washington, D.C. 20554

Re: Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price
Cap Incumbent Local Exchange Carriers and Interexchange Carriers
CC Docket No. 00-256
Ex Parte

Dear Ms. Dortch:

On May 10, 2002, Kenneth A. Levy of the National Exchange Carrier Association, Inc. (NECA), and Judith Harris and Steve Sorett, both of Reed Smith, LLP, met with Dorothy Attwood, Carol Matthey, Katherine Schroeder, Bill Scher, and Jessica Rosenworcel of the FCC's Wireline Competition Bureau (WCB) to discuss the Interstate Common Line Support (ICLS) mechanism adopted in the above captioned proceeding.

Attached please find a copy of the one page document left with FCC Staff, which briefly outlines the discussion. In accordance with the Commission's rules, a copy of this Notice has been filed electronically in the above-referenced docket. Additionally, a copy has been provided to Qualex International.

Sincerely,

/s/ Regina McNeil

CC: Dorothy Attwood, FCC
Carol Matthey, FCC
Katherine Schroeder, FCC
Bill Scher, FCC
Jessica Rosenworcel, FCC
Judith Harris, Reed Smith, LLP
Steve Sorett, Reed Smith, LLP
Qualex International

Attachment

INTERSTATE COMMON LINE SUPPORT

Issue

How common line pool member data necessary for ICLS calculation should be provided to USAC.

Desired Outcome

Commission direct NECA to provide data necessary for ICLS calculation to USAC for common line pool members.

Discussion Points

- MAG Order considered a filing process in which USAC would utilize NECA's data collections, but concluded timing schedule associated with ICLS made this impractical based on NECA's tariff preparation schedule. (Order at para. 164)
- Subsequent to MAG Order, NECA modified its tariff filing schedule to meet ICLS filing requirements. (See NECA Ex Parte dated 3/1/02)
- NECA is willing to supply the necessary data on behalf of pooling companies to USAC at no charge.
- USAC draft data collection forms require submission of over 1000 items of data versus six actually necessary to calculate ICLS.
- Burden imposed by USAC forms goes far beyond collection approval by OMB in January.
- Many of the items requested on the draft forms have nothing to do with the new program. Some data are not maintained at all by companies, but are instead calculated by NECA as their tariff filing agent.
- It is clear from industry comments on initial proposed data collection by USAC that rural telcos do not want duplicate, burdensome data collections for same data already submitted to NECA. They want NECA to file data for ICLS with USAC.
- Carriers under commission rules already certify data reported to NECA and NECA has extensive review and validation processes in place. These are established, reliable processes that are already subject to Commission oversight as well as both internal and external audits.
- The Commission currently relies on NECA for submission and validation of \$2.8 billion in access tariff filings and close to \$1 billion in rural high cost loop support. (Pool ICLS is currently \$362 million.)
- USAC has relied on NECA for submission of both initial forecasts and true up of Local Switching Support for pool members since 1998. (See 5/2/02 USAC filing at page 10)
- Since ICLS is a residual calculation, it is necessary for ICLS data to be in sync with NECA tariff and pooling data in order to achieve policy intent of MAG Order. Separate data collections and reviews add burdensome administrative procedures and coordination issues that are unnecessary.

- The FCC should limit its data collection to the six lines of data needed to calculate ICLS amounts. It should continue to rely on NECA to submit those data items to USAC on behalf of tariff participants.